



## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by GO p.l.c. (the “**Company**”) pursuant to Malta Financial Services Authority Listing Rules. This statement is based on the unaudited management accounts of the Company up to 30<sup>th</sup> September 2013 and other financial information.

### Quote

#### INTERIM DIRECTORS’ STATEMENT

The telecommunications market within which the Company and its subsidiaries (the “**Group**”) operate continues to be highly competitive and heavily regulated. Whilst the Group continues to perform well, growing its overall client base which exceeds 500,000 customer connections, average revenue per user (ARPU) continues to suffer, leading to a marginal reduction in retail revenues. Revenues are also being negatively impacted as a direct consequence of regulation, which is aggressively driving down fixed line and mobile voice termination rates.

It is encouraging to report that, in spite of pressure on its traditional revenue streams, the Group continues to enjoy healthy levels of revenue across all its main products, enjoying growth in broadband, TV and mobile connections.

Ongoing efforts to contain costs have mitigated the reduction in revenue allowing the Group to maintain healthy levels of profitability and cash generation. Current cash holdings and banking facilities are adequate to ensure that the Group has the ability to execute its strategy in the medium term.

The Group continues to execute a significant investment programme through which it is upgrading its various networks and introducing new technologies. Earlier this year the Group completed the rollout of a new nationwide mobile network which ensures that the Company’s mobile subscribers can enjoy the best coverage and speeds for mobile internet. The Company has recently signed a contract with Ericsson through which it will completely upgrade its fixed-line core network, whilst earlier this month a similar contract was signed with Alcatel Lucent to upgrade the mobile core infrastructure. These projects are an integral part of the Company’s ongoing plans to modernize its core systems to complement investments made in the Group’s access networks as the Group rolls out FTTH and 4G.

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These significant investments in technology are complemented by the launch of various attractive value propositions to ensure that the Group's customer base has access to the best possible technology at affordable price levels. This strategy is delivering positive results as the Group retains significant market share.

Forthnet is expected to announce its third quarter 2013 results by the end of November. In the meantime, Forthnet is progressing with the Rights Issue process as it aims to raise €30 million. The Company is awaiting the release of the Forthnet prospectus, at which stage the Company will be able to determine whether or not to participate in the Rights Issue process.

**Unquote**

A handwritten signature in blue ink, appearing to read 'F. Salomone'.

**Dr. Francis Galea Salomone LL.D.**  
**Company Secretary**

**23 October 2013**